GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:4621
ANSWERED ON:19.12.2001
STOCK EXCHANGE
UMMAREDDY VENKATESWARLU

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether MTNL has got itself listed on the New York Stock Exchange recently;

(b) if so, the details thereof;

(c) the benefits of such activity on the New York Stock Exchange for MTNL;

(d) whether all options and potential embarrassments to the country have been considered; and

(e) if so, the details of safeguards taken to ensure that speculators do not play with MTNL stock?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) Yes, Sir. Mahanagar Telephone Nigam Limited (MTNL) has been officially listed on the New York State Exchange (NYSE) on 8th November, 2001.

(b) Mahanagar Telephone Nigam Limited (MTNL) has been listed on a foreign stock exchange since December, 1997.The present transaction has, merely, been a de-listing from the London Stock Exchange where the Global Depository Receipts (GDRs) were previously listed, to listing on the New York Stock exchange.

(c) The benefit to list on New York Stock Exchange is increased liquidity/wider exposure of the MTNL Stock, and for future fund-raising activity. Whereas the GDR can be tradedonly on the London Stock Exchange, the American Depository Receipts (ADRs) can be traded on the NYSE as well as the London Stock Exchange.

(d) The best Option has been considered and no embarrassment to the country is expected.

(e) The stock exchange regulators and the Securities Exchange Commission of USA providethe necessary safeguards, for similar stocks.